

### Background

The use of cash and voucher assistance (CVA) to meet needs in humanitarian contexts is expanding rapidly. In recognition of its inherent benefits – notably to offer a flexible and efficient response that transfers decision-making power to those affected by disasters – a range of humanitarian agencies, donors and governments have committed to more consistently consider the use of different modalities and to scale their programmes and funding for CVA, where feasible and appropriate.

The enhanced 2020 Humanitarian Programme Cycle (HPC) approach offers a unique opportunity through its focus on producing a joint, intersectoral analysis to provide a holistic understanding of the relationship between needs in the Humanitarian Needs Overview. Additionally, the strengthened focus on response analysis during the preparation of the Humanitarian Response Plan should enable more systematic inter-sectoral discussions about required multisectoral response approaches, which could include multipurpose cash, and to identify the potential use of national social protection systems. The below guide offers an overview of how considerations around response modalities have been integrated into the new HPC guidance, both as part of the process outlined in the Step-By-Step Practical Guide and in the Humanitarian Needs Overview and Humanitarian Response Plan.

### Considering cash-related information in the HNO/HRP process

#### Cash in the Step-by-Step Practical Guide

Step	Cash-related references	P.
<b>1 – Agree on the scope and focus of the analysis</b>	<p>As part of the development of the joint analytical framework and plan, market access and functionality should be taken into consideration when (a) taking stock of achievements, existing response gaps, and implementation approach; (b) considering their influence on the overall crisis and (c) their influence in specific geographical areas or population groups (1.1). It may be that specific indicators on market analysis are of particular relevance and should be highlighted (1.2).</p> <p>Wider considerations required to ascertain the feasibility of different response options should also be included in the scope of analysis, to be analysed and addressed as part of the strategic planning component. As such, when identifying the data and information required for the selected population groups, geographic areas and/or thematic issues, ensure that in addition to relevant aspects of market access and functionality, issues such as the capacity of financial service providers, views of government and beneficiary preferences and the capacity of implementing partners are included in the analysis (1.1 and 1.2).</p> <p>Consider relevant actors, such as the Cash Working Group, the Inter-Cluster Coordination Group task teams, social protection working groups and operational / technical partners, when identifying the sources of data, information and indicators (1.3).</p>	4-5
<b>2 – Review and analyse data and information, and identify gaps</b>	<p>As part of the joint inter-sectoral analysis, the market analysis should inform the identification of the living standards consequences, or the effects of the crisis on lives and livelihood. Try to present: access of diverse groups to different markets, and the barriers in place; price trends; availability of key commodities; and other market services. Charts or maps can be helpful (2.5).</p>	7

<b>5 – Analyse response options and formulate strategic objectives</b>	Review ongoing and planned responses, including the delivery of cash through national social protection programmes (5.1). When identifying indicators to monitor the achievement of strategic and specific objectives, avoid developing modality specific indicators (e.g. how many people received cash) in favour of indicators that identify whether the intended change in people’s condition has been achieved (5.3). Based on evidence around the feasibility and appropriateness of different response options, determine the mixture of cash, in-kind and service, including options for MPC (5.4).	10
<b>7 – Formulate the activities and estimate the cost of the response plan</b>	When uploading projects with a sectoral cash component, use the regular sectoral dropdown, indicate the use of restrictions/conditions and specify the percentage of the project composed of cash assistance. When uploading a multipurpose cash project and the use of an MPC chapter has been agreed, use the MPC option in the dropdown list. The project will be vetted by the entity agreed at country level (7.2).	13

## Reflecting cash-related information in the HNO/HRP documents

### Cash in the HNO 2020 Template

Section	Cash-related references	P.
<b>1.2 – Impact of the Crisis</b>	When describing the impact of the crisis, include information relevant to determining factors driving need, such as losses and damages to assets and capital, impact on livelihoods, impact on functioning of and access to markets, services, etc. Also include an understanding of obstacles or challenges for people in need to access relief actors, for relief actors to access people in need and other physical constraints.	12
<b>1.4 – Humanitarian Consequences</b>	Support a solid joint-intersectoral analysis, identifying the effects of the crisis on the physical and mental wellbeing and living standards of the selected population groups and geographic locations.	18
	As part of an analysis of contextual factors and risks, consider the impact on market access and performance of key goods and services, as well as the availability, accessibility and quality of services and the response by national institutions.	20

### Cash in the HRP 2020 Template

Section	Gender-related references	P.
<b>1.2 – Strategic Objectives, Specific Objectives and Response</b>	When reviewing ongoing or already planned responses, include government responses through national social protection systems (2.3).  When examining the potential for multi-sectoral responses and a cash transfer modality is considered, explain the linkages and synergies between multipurpose and sectoral cash responses, where applicable. Review the feasibility of different response modalities, whether cash, in-kind or mixed, including information on operational capacities of partners and financial service providers, access to and functioning of markets, acceptance by the government and preferences of beneficiaries, potential risks to beneficiaries and response implementors, etc. (2.5).	19-20
<b>1.3 – Consolidated Overview: Use of Multi-Purpose Cash</b>	Where MPC is planned for, use the optional section on the use of MPC. This section consolidates the use of MPC across relevant Strategic Objectives and the Specific Objectives and coordinated response approaches that underpin them. Include information on how MPC is	28

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	coordinated and how it relates to the use of other modalities, considerations of feasibility, any applicable standards and calculations, such as the development of the Minimum Expenditure Basket, the consolidated financial requirements, and partners involved in the coordinated use of MPC. Consider including a table with key information.	
<b>2.1 - Monitoring and Accountability</b>	Support the identification of appropriate, 'SMART' outcome-based monitoring indicators. As part of community-based perception indicators, include beneficiary preferences towards different response modalities.	32
<b>3.1 – Sector</b>	Clarify which response modalities will be used to deliver planned programmes. Include information on evidence used to determine response modalities and state the percentage of the response delivered by the respective modalities. Include outcome-based, non-modality specific indicators for the monitoring of sector-level objectives.	41
<b>5.1 Annexes - Response Analysis</b>	Outline further details on other elements taken into consideration to select (or adjust ongoing) response approaches and modalities.	53